



Department of Energy
Richland Operations Office
P.O. Box 550
Richland, Washington 99352

14-AMRP-0311

SEP 30 2014

Mr. D. A. Faulk, Program Manager
Office of Environmental Cleanup
Hanford Project Office
U.S. Environmental Protection Agency
309 Bradley Boulevard, Suite 115
Richland, Washington 99352

Dear Mr. Faulk:

PROPOSED NEW DATE FOR HANFORD FEDERAL FACILITY AND CONSENT ORDER (TRI-PARTY AGREEMENT) MILESTONE M-016-175, "BEGIN SLUDGE REMOVAL FROM 105-KW FUEL STORAGE BASIN"

In a letter dated June 12, 2014, (14-AMRP-0214) the U.S. Department of Energy Richland Operations Office (RL) notified the U.S. Environmental Protection Agency (EPA) that the subject Tri-Party Agreement Milestone would be missed for good cause due to Congressional funding levels for RL being below the President's Budget requests for prior years, due to the impacts of the Fiscal Year (FY) 2013 Budget Control Act (sequestration), and the FY 2014 Continuing Resolution. RL committed to provide EPA a Tri-Party Agreement change control form reflecting a revised schedule by September 30, 2014, the due date for the milestone.

RL is currently not in a position to responsibly propose a new date for Milestone M-016-175 due to continuing funding uncertainty in FY 2015 and beyond. As you are aware the Federal Government will start the fiscal year under a Continuing Resolution and at this time RL does not know what the RL appropriation will be. Additionally, the budget request for FY 2015 created a Congressional line item (capital) construction account for the K Basin Sludge Treatment Project (STP) Engineered Container Retrieval and Transfer System (ECRTS). However, the line item account underfunds the STP by \$20 million and RL anticipates this will cause an 18 to 24 month delay to the project beyond the current baseline completion date of September 2018. Funding for line item projects is "fenced off" and cannot be used for other purposes or be supplemented by other funding sources. RL is working with DOE-HQ to correct this funding discrepancy.

RL proposes the due date for Milestone M-016-175 be changed to TBD (to be determined). A new milestone date may be determined after a full year budget resolution or appropriation has been passed and FY 2016-2018 budget levels are established. In the interim RL is continuing work to complete construction of the K West Basin Annex and procurement of equipment needed for the ECRTS based on our currently anticipated funding levels. My staff will continue to keep you informed on progress toward beginning sludge removal through regularly scheduled interface meetings.

SEP 30 2014

If you have any questions, please contact me or your staff may contact Roger Quintero, Federal Project Director for the Sludge Treatment Project on (509) 373-0421.

Sincerely,



Ray J. Corey, Assistant Manager
for the River and Plateau

AMRP:RAQ

Attachment

cc w/attach:

G. Bohnee, NPT

J. V. Borghese, CHPRC

R. Buck, Wanapum

L. J. Cusack, CHPRC

S. Harris, CTUIR

J. A. Hedges, Ecology

S. Hudson, HAB

R. Jim, YN

M. W. Johnson, CHPRC

R. A. Kaldor, MSA

R. A. Lobos, EPA

K. Niles, ODOE

R. E. Piippo, MSA

D. Rowland, YN

Administrative Record

Environmental Portal

Change Number M-16-14-02	Federal Facility Agreement and Consent Order Change Control Form	Date September 26, 2014
Originator R. J. Corey		Phone (509) 376-0108
Class of Change <input type="checkbox"/> I - Signatories <input checked="" type="checkbox"/> II - Executive Manager <input type="checkbox"/> III - Project Manager		
Change Title Extend Milestone due date for interim TPA Milestone M-016-175.		
Description/Justification of Change TPA Interim Milestone M-016-175, Begin Sludge Removal from 105-KW Fuel Storage Basin, is due September 30, 2014. Activities that support initiating sludge removal have been delayed due to Congressional funding levels for RL being below the President's Budget requests, impacts of the Fiscal Year (FY) 2013 Budget Control Act (sequestration), the FY 2014 Continuing Resolution, and continuing uncertainty regarding funding in FY 2015 and beyond. Final FY 2015 funding is not expected to be known until December 2015 at the earliest. Based on these impacts, RL is not in a position to responsibly propose a new milestone date. The due date for Milestone M-16-175, "Begin sludge removal from 105-KW Fuel Storage Basin," is requested to be changed to TBD. A new milestone date may be determined after a FY 2015 budget has been passed by Congress and subsequent discussion by EPA and RL on funding impacts and Hanford site priorities. <i>Description/Justification of Change continued on next page.</i>		
Impact of Change This change will extend the due date for milestone M-016-175 to allow activities that support initiating of sludge removal from the 105-KW Fuel Storage Basin to be completed.		
Affected Documents The Hanford Federal Facility Agreement and Consent Order (HFFACO), as amended, and Hanford Site internal planning management, and budget documents.		
Approvals <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="width: 45%;"> <div style="margin-bottom: 10px;"> Ray Corey DOE </div> <div style="margin-bottom: 10px;"> _____ Dennis Faulk EPA </div> <div style="margin-bottom: 10px;"> _____ N/A Ecology </div> </div> <div style="width: 50%;"> <div style="margin-bottom: 10px;"> 9/30/14 <input checked="" type="checkbox"/> Approved _____ Disapproved <small>Date</small> </div> <div style="margin-bottom: 10px;"> _____ Approved _____ Disapproved <small>Date</small> </div> <div style="margin-bottom: 10px;"> _____ Approved _____ Disapproved <small>Date</small> </div> </div> </div>		

Description/Justification of Change (continued)

Modifications are denoted by using ~~strikeout~~ to indicate text deletions and double underline to indicate text additions.

Number	Milestone	Due Date
M-016-175 Lead Agency: EPA	Begin sludge removal from 105-KW Fuel Storage Basin	09/30/14 <u>TBD</u>